GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture Marketing Department — Procurement of Onion at MSP in Kurnool District in State Government account — Orders – Issued.

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AGRICULTURE AND COOPERATION (MKTG.II) DEPARTMENT

G.O.RT.No. 376 Dated: 18-05-2020.

Read the following:-

1. G.O.Ms.No.28, A&C(MKTG.II) Dept., dated:09.1.2020.
2. From the Managing Director, A.P.Markfed, Vijayawada, Rc.No.P&M/ Onion/MSP/2019-20, Date:07-05-2020.

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ORDER:-

In the reference read above, the Managing Director, A.P. Markfed has reported that, in A.P. during Rabi2019-20, Onion is cultivated in area of 5857 Ha. against Last year cultivated area of 4432 Ha. Expected production is 1.17 Lakh M.Ts. Majority of the cultivated area i.e. 3849 Ha. is located in Kurnool District. The A.P. State Government vide reference 1st read above announced MSP for Onions for the KMS 2019-20 as Rs.770/- per Qtl. Central Government does not declare Minimum Support Price(MSP) for Onions. Thus the Onions have to be procured in State Government account only. Previously, whenever onion market prices falls below their cost of cultivation, to protect the farmers from exploitation by middlemen, Government instructed Marketing Department to procure Onions on ad hoc basis.

2. Due to incidence of COVID-19 and enforcement of Lock down by the State Government, farmers are facing hardship for disposal of their produce. In the reference 1st read above, Government has permitted to incur expenditure for implementation of MSP operations from the Price Stabilization Fund, if situation arises. To protect the farmers from distress sale and to ensure MSP for their produce at least 10000 MTs of Onions are to be procured under MSP in Kurnool District. For procuring 10000 MTs of onions @ Rs. 12004.50/- funds required are Rs.12.01 Crores.

3. The Managing Director, A.P Markfed has submitted proposal to Government for procuring 10,000 Mts. of Onions at MSP stating that in case of losses if any in the transaction the same will be borne by the State

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Government and also requested to sanction of Rs. 5 Crores from Central Market Fund / Price Stabilization Fund as revolving fund to make timely payment to the farmers.

4. Government after careful examination of the proposal and considering the exigency, hereby order A.P.Markfed to procure Onions from farmers at Minimum Support Price of Rs.770/- per Qtl. and also permit to utilise an amount of Rs.5.00 Crores as an advance from existing revolving fund (Price Stabilization Fund) and submit audited accounts after procurement operations are completed for reimbursement of losses.

5. The Managing Director, A.P. Markfed, Vijayawada shall take further action accordingly.

BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Y MADHUSUDHANA REDDY,
SPECIAL SECRETARY TO GOVERNMENT

To:-
The Managing Director, A.P.Markfed, Vijayawada.
Copy to:-
The Special Commissioner & Director of Agricultural Marketing, A.P., Guntur.
SF/SC.

// FORWARDED :: BYORDER//

SECTION OFFICER